Snip

The decentralized, user-generated news platform

09.25.17

Abstract (Vision)

News is broken. A small group of corporations decide which information is worthy of print, promoting clickbait and biased articles, and people who create great content are rarely rewarded for their hard efforts. No wonder that trust in the media is at an all-time low.

Snip is a new type of news platform, decentralized and powered by the community. On Snip, anyone can write a news story about any topic, and readers can find news that matters to them. Contributors are rewarded with tokens according to the popularity of their posts and comments. A community-based news site, owned by the community, can become the top news site in the world and cover any subject, from breaking news to entertainment and everything in between.

The content on the platform is personalized for each user using an open-source newsfeed algorithm, and users can choose their own algorithm. Since people prefer reading short and concise stories, the default algorithm assigns higher value to short content.

At Snip we strongly believe that there shouldn't be a single arbiter of the truth and that relying on content selected by the mainstream media is a form of censorship. Snip content is not censored and is stored in a decentralized manner. Users will choose their own trusted content filters, allowing them to ignore specific words or sources of content, but any legal content meeting basic community standards (e.g. not spam) will be allowed to stay on the platform.

"Not everyone can become a great writer,
but a great writer can come from anywhere."

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1. Introduction

The Internet has profoundly changed the news industry. In the past, local and national publishers enjoyed a monopoly on the distribution of information, providing them with a strong hold on reader's attention, which in turn provided them with a constant stream of revenue from advertisers. The barriers to entry for new publishers were high, requiring them to have enough capital to buy or rent printing presses.

The first sign of change appeared in 1996, when an e-mail list named Craigslist turned into a website for classified advertisements. Classified ads were a strong source of revenue for newspapers worldwide, and in a few years Craigslist and similar websites practically destroyed this source of revenue. A study shows [1] that from 2000 to 2007 the news industry lost approximately $5 Billion in classified ad revenues to Craigslist. From the launch of Craigslist in 1996 to today, it's safe to assume that the industry has lost more than $10 Billion in revenue due to Craigslist alone.

Classified ads aren't the only reason news outlets became less profitable. When news outlets moved from printed papers to the Internet and started offering advertising space, they no longer held a monopoly. The same ads that appeared on their websites appeared in blogs and in non-news platforms, and eventually superior ads appeared on Google and later Facebook. With more advertising options, brands paid less for ad real estate, leaving publishers with less income.

At the same time, the Internet created a major new problem for publishers - the need to create unique content. When distribution was owned by publishers they could afford to create poor content which was substantially similar to content from other news providers, and readers couldn't easily switch to a different news outlet. On the Internet, users are always a click away from a competitor's website, and if a publisher's content isn't engaging enough, it is quickly ignored in favor of another news outlet.

The Internet brought another important revolution - the rise of user-generated content. Instead of readers hoping to get a column published in a known newspaper, now anyone can create a website and broadcast their thoughts to the world. This change has been facilitated by early platforms like Geocities and Blogger.com and later WordPress, Tumblr, Medium, Facebook, and others. User-generated content has gradually gained more and more of reader's attentions, leaving classic publishers with a smaller share of attention and a smaller share of ad revenue. The competition with user-generated content is especially tough for news outlets, since many users create basic news content for free, hoping to propagate their ideas and not necessarily expecting profit.

Most news outlets were unable to create high-quality content good enough to compete in the Internet age, and in order to stay in business they pivoted to three main types of content:

1. Entertainment - For example. quizzes like "Which Harry Potter character are you?" or amusing photos like "5 of the best-looking politicians in the world."

2. Clickbait Articles - For example "You'll never believe how this girl ..."

3. Provocative Op-eds - For example, "This scandal shows everything that's wrong with..."

In some cases, several types of content are combined together, such as "Three reasons why the Democratic/Republican party is ruining America". Users don't value this kind of content and most of them don't develop loyalty to news brands who publish it, but the entertainment and outrage drive user traffic, which provides enough ad revenue to keep the publisher in business.

1.1. Monetization of Internet Content

At the beginning of the Internet age, text and image ads had a relatively high conversion rate [2], allowing corporate and independent websites to monetize their content directly. Over time, users got used to the ads and started ignoring them, causing click rates to go down and revenues to decline. Many websites responded with more disruptive ads (pop-ups, autoplay videos, etc.), which in turn alienated users and encouraged the adoption of ad-blockers. Today, publishers of internet content have to use one of the following methods in order to be able to generate revenues.

1.1.1. Subscriptions

The most direct method to monetize content online is to charge for access to the content. Subscriptions are growing as a source of revenue, partly thanks to the 2016 elections [3,4], but are mostly limited to high-end brands like The New York Times, The Economist, and The Wall Street Journal. Most news outlets don't have an enthusiastic, affluent following which is willing to pay, and must provide their content for free to survive. A large majority of people view news content as a product which should be provided to users for free and subsidized by ads.

1.1.2. Ad Networks & Tracking

Traditional ads are still an important part of the news ecosystem and the main source of revenue for most news outlets. Instead of serving their own ads, most websites present ads through ad networks, companies which track users across the Internet, gather various types of information about their habits, and attempt to present the most relevant ads. This is achieved by planting "cookies" (a kind of digital tracker) on Internet browsers, allowing the ad networks to follow a single user as they browse various websites. In an attempt to create more engaging ads, sometimes ad networks will also purchase data on users from online data brokers, who collect data on users in various methods [5,6]. The tracking methods applied by ad networks are generally hidden, and users are kept ignorant of the data collected on them. The most famous ad

network is Google's AdSense, but there are many lesser-known ad networks that are quite widespread.

For a growing number of users, the price of ad networks is not only less privacy but also a higher data bill. On many websites the browser loads more ad tracker data than actual content, and most of the loading time on the website is various ads and ad trackers [7]. For users who are browsing the Internet on a mobile device, this means higher data costs and an inferior user experience. The data costs have been another contributing factor to the prevalence of ad-blockers, especially in developing markets, as seen in the following chart [8]:
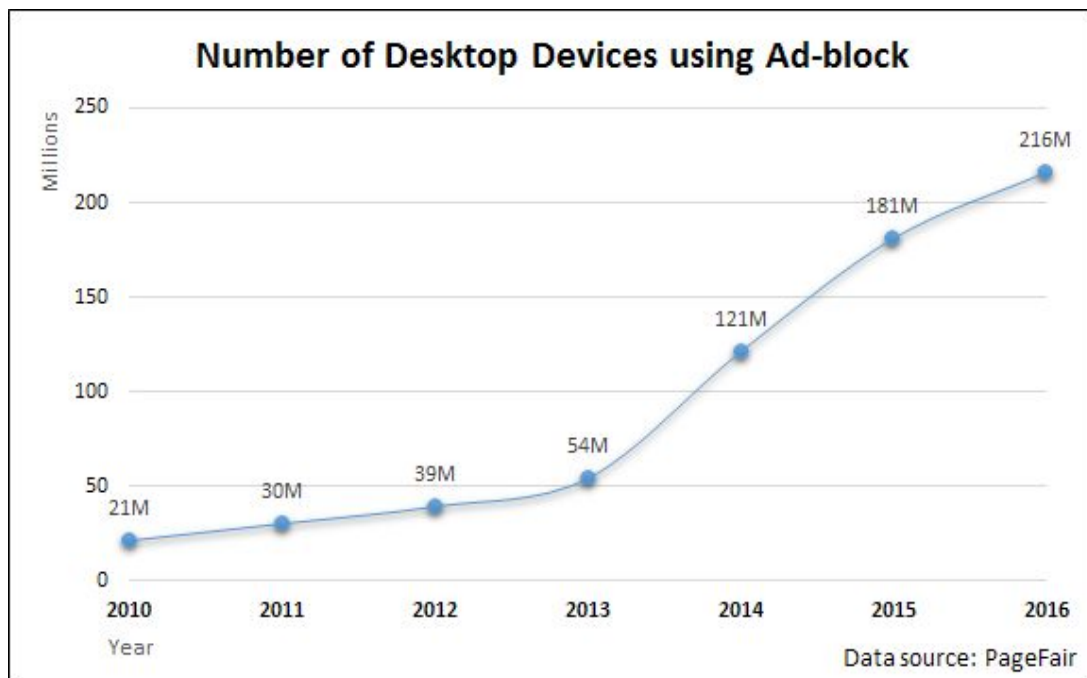
Despite the massive use of trackers on Internet websites, ad-blockers and low click rates have reduced the efficiency of standard advertising, encouraging the rise of native advertising.

1.1.3. Native Advertising

Definition from Wikipedia [9]:

Native advertising is a type of advertising, mostly online, that matches the form and function of the platform upon which it appears. In many cases, it manifests as either an article or video, produced by an advertiser with the specific intent to promote a product, while matching the form and style which would otherwise be seen in the work of the platform's editorial staff. The word "native" refers to this coherence of the content with the other media that appears on the platform.

The most noticeable examples of native advertising are the promoted search results on Google and the sponsored posts on Facebook. These ads are very effective and account for more than 80% of the revenue of the two companies [10], or $107 Billion in 2016. The main reason that native advertising is so effective is that most

users fail to notice that a specific piece of content is sponsored, and click on it assuming the platform is actually providing them with the most relevant content.

In the past years, news websites have gradually embraced the trend of native advertising. Since the native format of these websites is news articles, their ads consist of commercial content disguised as a regular news article. Some news outlets mark the content as sponsored but many do not [11], and many times users reach these articles via social media and don't ever see an indication that the content is sponsored.

As opposed to commercials on ad networks, native advertising requires the advertiser to create content specifically for a single platform. This provides a significant advantage to large platforms, which have the scale needed to make native content creation worthwhile, and also have the sale force necessary to engage the advertisers. Effectively, small news websites and bloggers can't utilize native advertising.

1.1.4. Affiliates & Donations

Small news outlets and bloggers use ad networks but usually can't generate significant income from them. Instead, they depend upon affiliate ads and reader donations. The profits are meager, but enough to maintain many sites.

1.2. The Consolidation of the Internet

The trends described previously have created a winner-takes-all environment, in which Facebook and Google reap a large majority of the revenue [12,13]:
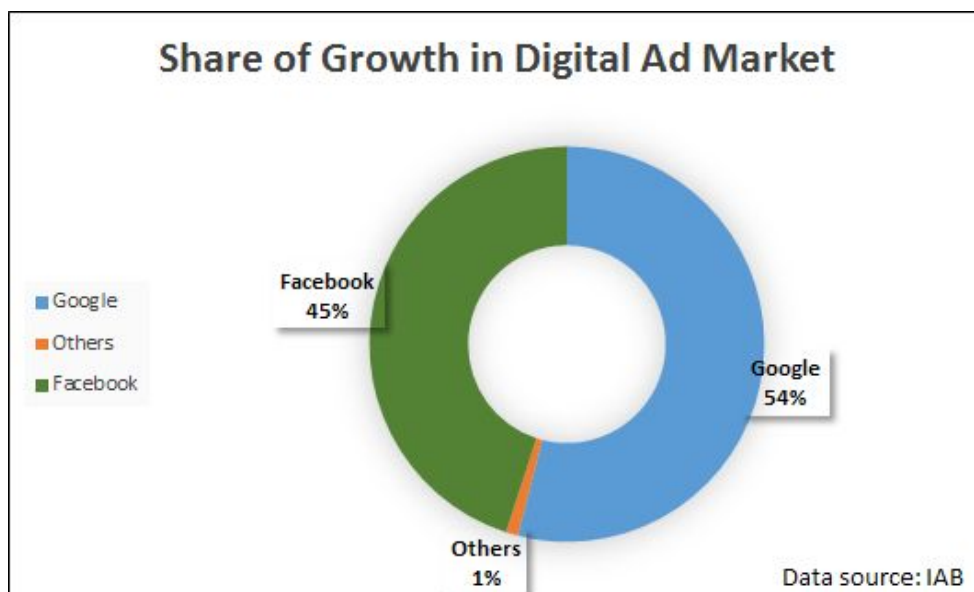
Facebook, specifically, holds a great deal of user's attention, allowing the company to influence the type of content made by news publishers. For instance, to satisfy the preferences of the Facebook newsfeed algorithm, news outlets are creating original video content which is intended solely for their Facebook audience [14].

In the past few years, news outlets have created a significant amount of native content on Facebook to encourage users to engage with their website, with Facebook enjoying the ad revenue associated with the content and refusing to share it with publishers. Independent bloggers who want to reach a large audience also post on Facebook, with no hope of receiving a portion of the income that Facebook reaps from user's engagement with the posts. Alternatively, they can post on a blogging website like Medium or Tumblr, or even on Twitter, but there still have no hope of receiving a cash reward for their great content.

Facebook's control over the Internet is especially worrisome because of its walled garden. The content on Facebook isn't on the open web and is blocked to search engines. Users who try to access it without a Facebook account encounter annoying pop-ups encouraging them to sign in, and often cannot access the content at all. The same is true for Twitter posts, though to a lesser extent.

The people who suffer the most from the current system are independent bloggers and small news outlets. Unless they succeed in creating extremely viral content, these content creators have basically no way to create content profitably. Unfortunately, even high-quality viral content may not be profitable enough to pay the bills. In 2016, a Mother Jones story on private prisons in the US reached a massive audience and was discussed nationally, but only racked $5,000 in ad revenue, while costing the magazine $350,000 [15]. This example demonstrates that the current system is not sustainable for great investigative journalism outside of the main news outlets.

2. Solution - Snip

Solving the problems of the news industry requires a product which isn't an incremental improvement but a revolutionary advancement. Such a solution would have to create significant value for news consumers, be transparent and fair in the distribution of news, and award great content creators.

2.1. Overview

Snip is a decentralized, user-generated news platform where anyone can write a news story ("snip") about a topic of their choice, and read news on the issues they care about. The platform has no editor deciding what's fit to print and the decision which content to view is made personally, by community users.

Snip's goal is to become the place where people go to learn and stay updated on any subject - politics, tech, sports, art, philosophy, etc. The stories are presented to readers in an algorithmic feed, tailored to each user's interests using open-source algorithms (detailed in section 2.4). People are busy and prefer to read concise content, so the platform will be oriented towards short content. Writers will be able to post content of any length..

The platform is powered by the community, with members writing stories, voting on the best stories, engaging in discussions, and rewarding contributors with tokens. The important role of community feedback gives writers an incentive to create high-quality content. The voting mechanism also assists in personalizing content for users, creating a feed which is truly valuable and interesting.

By harnessing the power of the community, Snip aims to become the top news destination on every subject. Importantly, the product will be accessible to anyone, and will not require an understanding of cryptocurrencies and tokens.

The Snip platform will feature a new Ethereum-based (ERC20) token named SnipCoin, which is used to buy products on the Snip network and to reward content contributors. The role of the token is detailed in the following pages.

2.2. Freedom of Speech

As opposed to other platforms, users in the Snip community will enjoy freedom of speech, without a centralized authority dictating right from wrong. Therefore:

1. Snip does not censor content on the platform.
2. Users will never be banned or shadow banned.
3. To ensure the integrity of the content, all posts and comments will be stored in the decentralized service IPFS.
4. On the Snip website, content may be redacted according to local law, for instance in cases of copyright violations or violent threats.

2.3. Content Creation

News stories need to be original and provide insight. Stories that copy content from an existing news story (without consent of the creator) remain on the IPFS network but do not appear on the Snip platform, and the writer is notified. Content contributors are asked to provide references for stories (if such a reference exists), and to decide on the percentage they want to share with the referenced publisher, with a 10% minimum, a figure which is subject to future changes based on the discretion of the Snip company. Revenue sharing rewards original journalism and helps it flourish, especially once Snip becomes a large platform where many people get their news. The Snip company will share revenue with individual contributors, publishers or non-profits (such as Wikipedia) but not with corporations or governments that offer content for free. Of course, regardless of the Snip company's policy, members of the community can reward tokens for content on their own terms.

2.4. Personalization & Content Filtering

The Snip platform is intended to be the most complete news source on any topic or current event. As a result, the volume of content will certainly be more than any single user can consume. The solution is a personal feed with customized content. The algorithm aims to reach a high *hit rate*, meaning that the feed should contain a large percentage of articles which interest the reader. This enables high quality notifications, keeping users informed about the topics they value most.

To reach a high hit rate, the content is personalized for each user using open-source algorithms, some developed by the Snip company and some by the community. Users choose their own preferred personalization algorithm when they register, and can change it at any time. They can follow favorite contributors, boosting them in the algorithm. By making the algorithms open source, as opposed to those of platforms like Facebook or Twitter, Snip ensures transparency and allows for the kind of constant improvement that only a community of contributors can achieve. In stark contrast to today's news publishers, Snip has no editorial board and does not decide which stories are fit to print and which are not.

To assist developers, Snip provides an API and publishes sample datasets to allow developers to test their own algorithms. The following is a partial list of features which are or will be available to developers:

1. Post publish date.
2. Text features - keywords, topic, length, etc.
3. Reactions from similar users.
4. Likes.
5. Dislikes.
6. Marked as spam.
7. Comments.

8. A list of the user's followed contributors.
9. Contributors' metadata including number of followers, region, language, etc.

The Snip company rewards developers for creating useful personalization algorithms with tokens reserved for that purpose.

2.5. Safety

Users need to feel safe when using the Snip platform. Therefore, along with choosing their preferred news feed personalization algorithm, users can add their own rules to filter out content that they prefer not to see. For example, users may choose not to view content they believe to be fake news, or content deemed to be of poor quality by community members they trust. This can be done in a few ways::

1. Blocking posts or comments from specific users.
2. Blocking specific words (or word groups) from appearing in the personal newsfeed or notifications.
3. Choosing a spam filter - users can choose their own spam filter (or no filter at all), in the same manner as the personalization algorithm.

By default, these filters are not public so that each user's privacy is protected. Of course, users can choose to share these filters publicly if they want, allowing others to utilize them.

2.6. Encouraging Diverse, High-Quality Content

Snip's goal is to cover everything happening the world, but some things are much easier to write about than others. For instance, it may take a writer 30 seconds to share a funny anecdote, whereas explaining a complicated scientific breakthrough in simple words could easily take the same writer 30 minutes.

If the only incentive for content contributors is the number of clicks or likes, most of the content on the platform remains basic, easy-to-create content, and high-quality content is not rewarded. To avoid this, the Snip company uses a portion of the tokens as an incentive mechanism in the following manner:

1. Rewarding scarce content - Tokens will be added to content categories that are poorly represented on the platform. If, for instance, there is a shortage in live sports coverage on the platform, bonus tokens will be rewarded specifically to live sports snips.
2. Suggestions from readers - If readers express interest in an event or a news story, these requests are posted anonymously, and writers receive bonus tokens for writing a snip on the requested subject or story.

Categories and reader suggestions are visible to everyone in the community and all writers have the opportunity to collect the bonus tokens by writing an engaging story.

To assist the news feed algorithms and the incentive systems, contributors are required to note the category of their snip. Some of the suggested categories are:

- Breaking News
- Science and Technology News
- Politics Op/Ed
- Live Sports

Machine Learning algorithms can help contributors with the categorization and readers are encouraged to flag content if it is categorized incorrectly. An additional algorithm receives the writer's decided category and user feedback and decides on the appropriate category. All algorithms are open-source and available to the community.

2.7. Privacy

User data is private and is never shared with third-parties. User votes are private and cannot be seen by anyone else, unless the user decides to share them.

2.8. Snip and the Open Web

The content published on the platform is searchable and available for everyone to read and does not require logging in or providing personal information, such as an email address or Facebook login.

Professional content, intended for subscribers, will be locked to non-paying users. This is expected to be only a small minority of the content on the platform.

3. Distribution & User Acquisition

A major challenge in consumer media is distribution and user acquisition. Many media companies which create valuable content are unable to gain users at a low price, and high customer acquisition costs (CAC) combined with the low lifetime value (LTV) in the ads business, create unprofitable businesses. Therefore, creating a viral product is crucial to building a successful media company. In Snip, we're applying three unique methods to solve this problem and to build a company which is consistently profitable.

3.1. Referrals

Users who refer their friends to the platform will receive a small token reward, helping to attract a critical mass of users to the platform. The referrers will only be rewarded if their friends become day-to-day users of the platform, substantially reducing the risk of gaming the system. The cost in tokens is expected to be significantly lower than ad spending since people are much more inclined to receive a friend's referral than respond to advertisement. In addition, users will probably refrain from referring friends who won't be interested in the product because those will not help them to gain tokens.

3.2. Token Holder Promotion

Token holders have a vested interest that the platform prospers and offers more content and services. Therefore, they are likely to promote the product to family and friends, without cost to the company.

3.3. Discovery of Viral Content

For the past 18 months, the Snip company has been collecting high-resolution data on the virality of content online, with a focus on social networks and news websites. Using this data, the company is applying Machine Learning technologies (NLP, statistical analyses, etc) to find topics which are most likely to gain traction in social networks. The topics will be recommended to our community of writers, allowing them to produce extremely viral content and collect token rewards. This technology has already proven itself in the current product.

4. Business Model

To keep the Snip ecosystem healthy and prosperous, Snip relies on a variety of income sources:

1. Subscriptions
2. Tipping
3. Advertising
4. Ad-free version

Users don't like ads and the goal is to minimize the revenue from ads and focus on other revenue streams, but for the foreseeable future we expect our revenue to include all four of these sources. A majority of the revenue in each category goes to content contributors, further incentivizing people to create great content. The Snip company takes a small cut, allowing for hiring talent, product development, and day-to-day operations.

4.1. Subscriptions

Snip offers an engaging subscription service, paid for monthly, with tokens. Our first widespread offering is audio snips. Audio snips is a personalized feed of the stories users find most interesting, in audio form. Audio snips can replace or supplement listening to the news on the radio. This is aimed at commuters, people with disabilities, and anyone who enjoys listening to the news. This is projected to be a very popular offering.

An additional subscription service Snip offers is a professional content stream, meaning summaries of technical developments in a specific field or profession. The professional content service can help users keep up-to-date in their professional field, whether it is cancer research, database technology, or South African politics. Some topics are, of course, geared towards a small niche market. The expectation is that these topics develop a devoted, if small, following. In this offering, the community can request professional content and offer payment, allowing writers will to supply the content that readers really need.

It is important to note that these offerings are provided as streams, rather than dailies.

4.2. Tipping

Readers have the option of tipping content contributors for great posts or comments, similar to tipping on Reddit via Reddit Gold. The tipping is facilitated by tokens, allowing for small, cheap micro-payments. The content creator receives 97% of the tip, with only 3% going to the Snip company. This figure could change in the future, upwards or downwards, based on the discretion of the Snip company. The company is incentivized to reward writers and keep the best writers in the platform.

4.3. Advertising

Snip has a duty to provide users with the most interesting and relevant advertisements as possible. Ads are native and are required to present content that provides value for users. Ads are visibly marked and users always know when they're seeing an ad. Users can flag bad or misleading advertisements, and those ads and ad creators are policed and removed if necessary. Users can always see their advertising profile and understand why they are shown specific ads. User information is never provided to advertisers or other third parties.

4.4. Ad-free version

Users are offered an ad-free version which is funded by a monthly subscription. Since ad income can be tenuous, and users often dislike advertisements, Snip hopes that most users will choose to go ad-free.

5. The Snip Token (SnipCoin)

SnipCoin is the exclusive token of the Snip platform, and can be used both for rewarding content contributors and for rewards for the various services.

The total number of SnipCoins is 10,000,000,000 (ten billion), minted in advance. The Snip company rewards contributors with SnipCoins from two sources:

1. An initial pool of 2,100,000,000 SnipCoins designated in the token sale (to be detailed in this paper). The initial amount of weekly SnipCoins is 15,500,000, and will decrease by 57,500 SnipCoins every week, until reaching 0 over 267 weeks (5 years).

2. The platform's revenue - A large portion of the platform's revenue (in SnipCoins) is added to the pool, and a small cut of the revenue is passed on to the Snip company.

Revenue from subscriptions and ads is expected to increase over time as the network grows, and its share out of the total pool size will constantly grow. Eventually the share of pre-allocated SnipCoins is expected to become negligible, as demonstrated in the chart below.

15
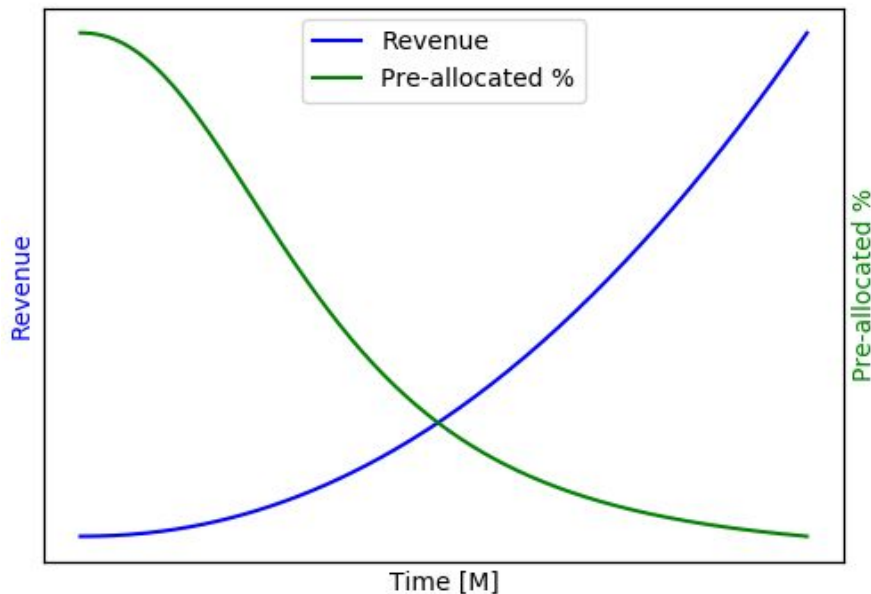
6. Roadmap

The roadmap includes three stages as described below.

6.1. Snip 0.1 - Live Now

Includes interesting news stories on various topics, an option to tip writers, and a subscription service which allows users to receive an audio version of the news. The token system, once launched, will provide holders with subscription credits for the audio service.

6.2. Snip 0.2 - Alpha

An invitation-only version, used to test the initial product and receive feedback from content contributors on the incentive model.

- Web version with basic UX
- Comments and voting
- Basic personalization
- Basic content filtering (anti-spam)
- Newsfeed API for community developers
- Payment to contributors for posts
- Categorization

6.3. Snip 1.0 - Public Beta

This is the first version intended for the general public, and includes the following features, in addition to features suggested by the community:

- Web version with improved UX
- Mobile version (iOS/Android)
- Blocking/muting of accounts
- Several content filters and anti-abuse algorithms
- Bonus tokens for diverse content

6.4. Snip 2.0 - Full-scale product

- User profiles and tagging
- Additional Languages
- Ad auction support
- Ad-free subscription
- Improved personalization
- Payment to contributors for comments
- Professional content subscription

7. Business Landscape

7.1. Competition

Snip's competitors can be divided into two main categories - news publishers and social networks.

7.1.1. News Publishers

Publishers like Fox, CNN, and the New York Times manage large newsrooms where journalists create content guided by editors. The created content is then presented on their website, mobile app, and in some cases, a TV network. These platforms do not host user-generated content and their news stories are moderated by a small group of editors. Often their content is longer than necessary, allowing them to fit more ads into each article.

7.1.2. Social Networks

Facebook, Twitter, and Reddit are based on user-generated content but do not reward contributors for the value they produce. Facebook is less focused on news compared to Reddit and Twitter, which are used by many as news platforms. A major problem with both platforms is that the news stories are provided as links, without enough relevant information. Advertising cannot be controlled in this situation. Snip, instead, provides short snippets with all the relevant content.

Steem is a Reddit-like social network in which content creators are rewarded for their publications, but users usually don't create news stories and the platform is hardly used by mainstream users.

7.2. Snip Advantages

7.2.1. Decentralized

In contrast to mainstream publishers and social networks, the Snip network is decentralized and owned by the community, with all the content saved openly on the IPFS network. Content cannot be censored and users on the Snip website choose their personal news feed algorithm.

7.2.2. News-oriented

Snip is a place for people to read news and discuss the news stories they care about. Snip covers a wide variety of topics, allowing users to stay up-to-date on their favorite topics in a shorter, more efficient format.

7.2.3. User-generated content

The news stories on the platform are created by the community and users receive the vast majority of the reward for high-quality posts and comments, as decided by the community.

7.2.4. Personalization

In contrast to mainstream publishers, the content on Snip is personalized for each user. When two different people access the platform, they see two different feeds, based on their personal preferences.

7.2.5. Ad-free option

Many users don't like ads, and some are willing to pay for an ad-free experience. In contrast to Facebook and Twitter, Snip gives users the option to subscribe to an ad-free version, and users know that their payment goes directly to content creators.

8. Crowdsale

To raise the funds required to continue platform development and maintenance, a SnipCoin crowdsale will be held on September 29th, 2017, at 23:00 UTC..

- Our goal is to raise **$8 million USD** (hard cap). Upon reaching the goal the sale will stop and no more contributions will be accepted.
- The minimum goal for the crowdsale is **$0.8 million USD** (soft cap). Contributors will be refunded if the goal isn't reached.
- The duration of the sale will be no more than **30 days**.
- 10 billion SnipCoins (SNP) will be minted, of which **80% are designated to the community and the contributors**. The initial distribution of tokens will be:
  - **28% is available in the crowdsale**.
  - 30% will be sold in the future token sale and will be locked for 3 years.
  - 21% is reserved for the initial pool of contributor rewards. This is kept in a time-locked vault and released every month according to the amount transferred to the contributors during that month, with a hard limit of 90,000,000 SNP. A portion of the contributor reward pool is reserved for community developers (bug bounties, contributing algorithms, etc).
  - 20.5% is designated for the Snip company and will be used internally and for advisors and partner companies. Snip employees and founders will not hold tokens prior to the sale and will not be rewarded with tokens in the first 6 months after the sale. In the period of 6 to 12 months after the sale, Snip employees and founders will be rewarded with no more than 4% of the total tokens.
  - 0.5% is designated for the Snip bounty, helping to spread the word about the Snip platform before the crowdsale.

Legend:
- ● Crowdsale
- ● Future token sale
- ● Team & Partners
- ● Writer & Developer pool
- ● Snip bounty
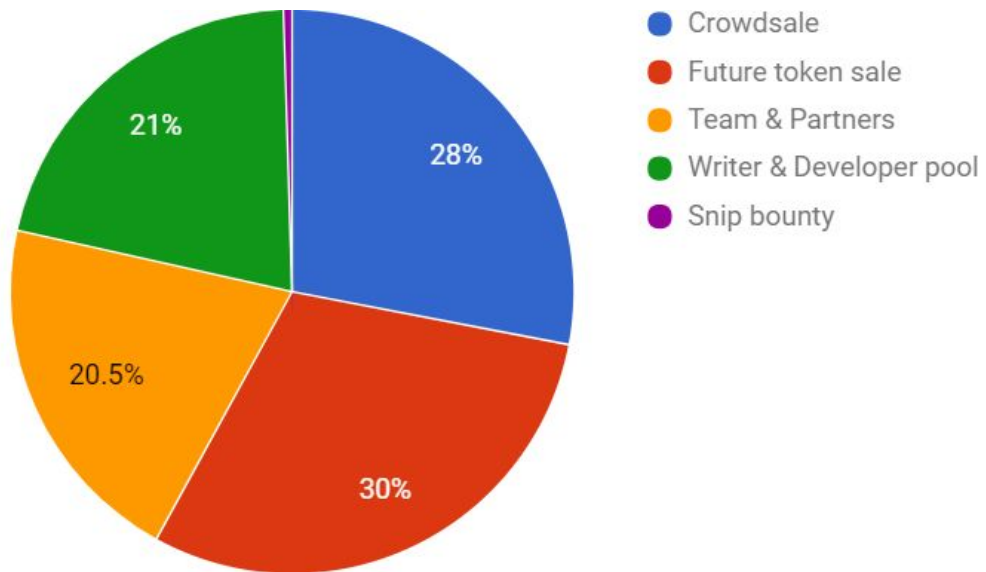
- Exchange rate:
    - The current exchange rate is **1 ETH = 76K SnipCoins** (SNP). Since the price of Ethereum fluctuates, the official ETH/SNP conversion rate will be announced publicly a day before the sale. Unless Snip provides an official update of the ETH/SNP conversion rate, the conversion rate will stay constant during the sale period.
- The sale will start on September 29th, 2017, 23:00 UTC

9. Budget Allocation

The following charts shows a breakdown of the planned allocation of funds raised in the token sale. The values may change over time due to unexpected developments. Specifically, legal costs could grow significantly and take a larger share of the pie.
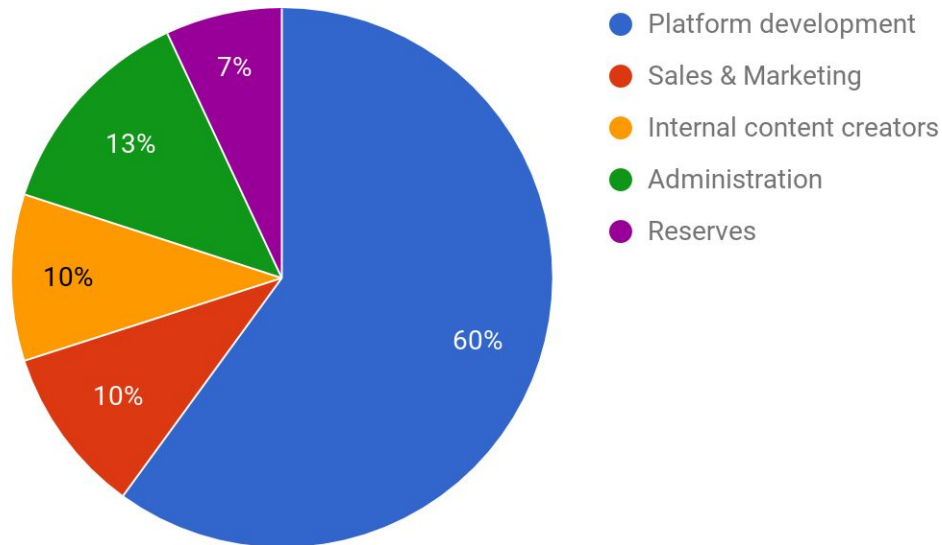
- **Platform Development** - Most of the funds are used for building the platform: web and mobile applications, tools for content creators, personalization algorithms, and other necessities.
- **Sales & Marketing** - Funds used for creating brand awareness and attracting the best writers to the platform.
- **Internal Content Creators** - The Snip company hires content creators to ensure constant news coverage and topic diversity. This is a bootstrapping technique that is required mainly in the early stages of the platform.
- **Administration** - Funds used for ensuring platform security, hiring legal counsel, and other day-to-day administrative operations.
- **Reserves** - Additional funds reserved for unexpected expenditures.

10. Frequently Asked Questions

What's Snip?

Snip is a decentralized, user-generated news platform where anyone can write a news story (or "snip") about a topic of their choice, and read news on the issues they care about. The platform has no editor deciding what's fit to print and the decision is made solely by the community.

What does the name mean?

The word Snip is derived from the word snippet. We have found that users prefer short snippets of high-quality information to long, articles, which often contain more filler than information.

What are the Snip tokens? What can token holders do with them?

SnipCoin is the exclusive token of the Snip platform, and can be used for both rewarding content contributors and paying for the various services. The tokens are sold only for use on the Snip platform and do not provide equity or rights in the Snip company. A Snip token is not a security and is not recommended for speculators of any kind. Do not purchase tokens if you don't thoroughly understand the concepts of cryptographic tokens, token sales, and blockchain technology, and purchase them only if you plan to use the tokens to consume Snip services. If the crowdsale reaches the minimum amount (noted below), then the tokens are not refundable once delivered.

When will the crowdsale begin?

The crowdsale is expected to start in September and last until the earlier of 30 days, or until $8M are collected. An official date will be announced at least 10 days before the beginning of the crowdsale.

How much is being sold in the crowdsale?

The crowdsale goal is to sell $8M, with a minimum sell of $800K. If $800K isn't sold, the transferred funds will be returned to buyers.

What currencies are accepted in the crowdsale?

The accepted currencies will be announced at least 10 days before the beginning of the crowdsale.

What will the funds be used for?

As detailed in section 9, the money is expected to be used mainly for platform development, and to a lesser extent for administration costs, sales and marketing, and content creation.

Are Snip tokens transferable?

Yes, Snip tokens are transferable and are not in control of the Snip company. As described in this white paper, some of the tokens are locked in time-vaults, a measure applied to protect the token buyers.

11. References

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